

EXHIBIT B

STATE FARM LIFE INSURANCE COMPANY

HOME OFFICE: ONE STATE FARM PLAZA, BLOOMINGTON, ILLINOIS 61710-0001



| | |
|----------------------|-----------------------------|
| INSURED | WILLIAM T WHITMAN (Male) |
| AGE | 20 |
| POLICY NUMBER | LF-1853-4088 |
| POLICY DATE | January 16, 2001 |
| INITIAL BASIC AMOUNT | \$500,000 |

This policy is based on the application and the payment of premiums, as specified in the policy, while the Insured lives. State Farm Life Insurance Company will pay the proceeds to the beneficiary when due proof of the Insured's death is received.

30-Day Right to Examine the Policy. This policy may be returned within 30 days of its receipt for a refund of all premiums paid. Return may be made to State Farm Life Insurance Company or one of its agents. If returned, this policy will be void from the policy date.

Read this policy with care. This is a legal contract between the Owner and State Farm Life Insurance Company.

Secretary

President

Registrar

BASIC PLAN DESCRIPTION

Flexible premium adjustable life insurance. A death benefit is payable when the Insured dies. Flexible premiums are payable while the Insured is alive. The basic plan is eligible for annual dividends.

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The Application and any Riders and Endorsements follow page 12.

POLICY IDENTIFICATION

| | | | |
|---------------|-----------------------------|----------------------|-----------|
| Insured | WILLIAM T WHITMAN (Male) | Age | 20 |
| Policy Number | LF-1853-4088 | Initial Basic Amount | \$500,000 |
| Policy Date | January 16, 2001 | | |
| Issue Date | January 22, 2001 | | |

SCHEDULE OF BENEFITS

Universal Life Basic Plan:

Death Benefit Option 1 (Basic Amount includes the Account Value)
Basic Amount (Standard Rate Class-Male Non-Tobacco): \$500,000

SCHEDULE OF PREMIUMS

The Initial Premium is \$151.00.

Planned premiums are included in the schedule shown below. The payment period for the planned premiums is 1 month starting on February 16, 2001.
A premium expense charge of 5% is deducted from each premium paid.

| Beginning: | Total Premiums For Policy Year |
|------------------|-----------------------------------|
| January 16, 2001 | \$2,076.00 |
| January 16, 2002 | 2,100.00 |

MONTHLY DEDUCTIONS

The deduction date is the 16th of each month.

Maximum monthly cost of insurance rates are shown on page 4. The cost of insurance is deductible while the policy is in force.
The monthly expense charge is \$5.00.

NOTE: Insurance may terminate if premiums paid are not sufficient to continue the insurance.

SCHEDULE OF SURRENDER CHARGES

| Beginning Policy Year | Beginning Policy Month | Surrender Charge | Beginning Policy Year | Beginning Policy Month | Surrender Charge |
|-----------------------------|------------------------------|---------------------|-----------------------------|------------------------------|---------------------|
| 1 | 1 | \$55.00 | 1 | 12 | \$660.00 |
| 1 | 2 | 110.00 | 2 | 1 | 660.00 |
| 1 | 3 | 165.00 | 3 | 1 | 660.00 |
| 1 | 4 | 220.00 | 4 | 1 | 577.50 |
| 1 | 5 | 275.00 | 5 | 1 | 495.00 |
| 1 | 6 | 330.00 | 6 | 1 | 412.50 |
| 1 | 7 | 385.00 | 7 | 1 | 330.00 |
| 1 | 8 | 440.00 | 8 | 1 | 247.50 |
| 1 | 9 | 495.00 | 9 | 1 | 165.00 |
| 1 | 10 | 550.00 | 10 | 1 | 82.50 |
| 1 | 11 | 605.00 | 11 | 1 | 0.00 |

COST OF INSURANCE RATES AND MONTHLY CHARGES

Maximum Monthly Cost of Insurance Rates
Per \$1000

(Standard Rate Class-Male Non-Tobacco)

| Age | Rate | Age | Rate | Age | Rate | Age | Rate |
|-----|-------|-----|--------|-----|--------|-----|---------|
| 20 | .1585 | 40 | .2629 | 60 | 1.4109 | 80 | 9.0119 |
| 21 | .1585 | 41 | .2854 | 61 | 1.5430 | 81 | 9.8582 |
| 22 | .1568 | 42 | .3097 | 62 | 1.6923 | 82 | 10.8223 |
| 23 | .1535 | 43 | .3365 | 63 | 1.8597 | 83 | 11.9024 |
| 24 | .1501 | 44 | .3649 | 64 | 2.0454 | 84 | 13.0775 |
| 25 | .1460 | 45 | .3950 | 65 | 2.2459 | 85 | 14.3247 |
| 26 | .1434 | 46 | .4277 | 66 | 2.4605 | 86 | 15.6263 |
| 27 | .1426 | 47 | .4620 | 67 | 2.6886 | 87 | 16.9762 |
| 28 | .1418 | 48 | .4989 | 68 | 2.9344 | 88 | 18.3754 |
| 29 | .1434 | 49 | .5399 | 69 | 3.2068 | 89 | 19.8343 |
| 30 | .1460 | 50 | .5852 | 70 | 3.5147 | 90 | 21.3788 |
| 31 | .1501 | 51 | .6381 | 71 | 3.8670 | 91 | 23.0518 |
| 32 | .1560 | 52 | .6968 | 72 | 4.2723 | 92 | 24.9371 |
| 33 | .1626 | 53 | .7640 | 73 | 4.7329 | 93 | 27.2442 |
| 34 | .1710 | 54 | .8380 | 74 | 5.2401 | 94 | 30.4453 |
| 35 | .1810 | 55 | .9180 | 75 | 5.7847 | 95 | 35.4922 |
| 36 | .1935 | 56 | 1.0030 | 76 | 6.3595 | 96 | 44.5151 |
| 37 | .2077 | 57 | 1.0932 | 77 | 6.9577 | 97 | 62.8314 |
| 38 | .2236 | 58 | 1.1894 | 78 | 7.5852 | 98 | 73.0824 |
| 39 | .2420 | 59 | 1.2942 | 79 | 8.2619 | 99 | 83.3333 |

& over

DEFINITIONS

We, us, and our refer to State Farm Life Insurance Company.

You and your refer to the Owner.

Application. Includes any life insurance application, any application for change in the policy, medical history, questionnaire, and other documents from you or any other person proposed for insurance which are made a part of this policy.

Basic Amount. The Initial Basic Amount plus any increases less any decreases.

Basic Amount Minimum. On or after the policy anniversary when the Insured is age 55, the Basic Amount cannot be less than \$25,000. Otherwise, the Basic Amount cannot be less than \$50,000.

Benefit Period Ends. The coverage for the benefit extends to, but does not include, the policy anniversary in the year shown on page 3 under this heading.

Deduction Date. The policy date and each monthly anniversary of the policy date.

Dollars. Any money we pay, or which is paid to us, must be in United States dollars.

Effective Date. Coverage starts on this date.

Initial Basic Amount. The amount of coverage on the Insured provided by the Basic Plan on the policy date.

Insurance Amount. The amount of coverage on the effective date of each rider shown on page 3.

Monthly Charge Deductible. A monthly charge for any rider is deducted as part of the monthly deduction until the policy anniversary in the year shown on page 3.

Officer. The president, a vice president, the secretary, or an assistant secretary of State Farm Life Insurance Company.

Payee. On the Insured's death, the beneficiaries shown in the application, unless changed. If you cash surrender this policy, the persons that you have named. A payee can be other than a natural person only if we agree.

Planned Premium. The premium amount that you have chosen. This amount is shown on page 3 for the payment period that you have chosen.

Policy Date. The effective date of this policy.

Policy Month, Year, or Anniversary. A policy month, year, or anniversary is measured from the policy date.

Proceeds. The amounts payable on the death of the Insured.

Rate Class. The underwriting class of the person insured. A rate class will be determined for the Initial Basic Amount and each increase in the Basic Amount.

Request. A written request signed by the person making the request. Such request must be sent to and be in a form acceptable to us.

Rider. Any benefit, other than the Basic Plan, made a part of this policy.

OWNERSHIP PROVISIONS

Owner. The Owner is as named in the application, unless changed. You may exercise any policy provision only by request and while the Insured is alive.

Change of Owner. You may change the ownership of this policy by sending us a request while

the Insured is alive. We have the right to request this policy to make the change on it. The change will take effect the date you sign the request, but the change will not affect any action we have taken before we receive the request. A change of owner does not change the beneficiary designation.

DEATH BENEFIT AND DEATH BENEFIT OPTIONS PROVISIONS

Death Benefit. The amount of death benefit is an amount of insurance based on the death benefit option plus any insurance amounts payable under any riders on the Insured and the part of the cost of insurance for the part of the policy month beyond the Insured's death less any loan, accrued loan interest, and, if the Insured dies during the grace period, the monthly deductions from the start of the grace period.

Death Benefit Options. There are two death benefit options. If you do not choose an option, we will use option 2. The account value on the date of death is used in determining the amount of insurance.

Option 1. The amount of insurance will be the greater of (1) the Basic Amount plus 95% of any premium received since the last deduction date plus interest earned on that amount of premium or (2) a percentage of the account value. Such percentage is based on the Insured's age at the start of the current policy year.

Option 2. The amount of insurance will be the greater of (1) the Basic Amount plus the account value or (2) a percentage of the account value. Such percentage is based on the Insured's age at the start of the current policy year.

Percentage of Account Value Table

| Age | Percentage | Age | Percentage |
|------|------------|---------|------------|
| 0-40 | 250% | 61 | 128% |
| 41 | 243% | 62 | 126% |
| 42 | 236% | 63 | 124% |
| 43 | 229% | 64 | 122% |
| 44 | 222% | 65 | 120% |
| 45 | 215% | 66 | 119% |
| 46 | 209% | 67 | 118% |
| 47 | 203% | 68 | 117% |
| 48 | 197% | 69 | 116% |
| 49 | 191% | 70 | 115% |
| 50 | 185% | 71 | 113% |
| 51 | 178% | 72 | 111% |
| 52 | 171% | 73 | 109% |
| 53 | 164% | 74 | 107% |
| 54 | 157% | 75-90 | 105% |
| 55 | 150% | 91 | 104% |
| 56 | 146% | 92 | 103% |
| 57 | 142% | 93 | 102% |
| 58 | 138% | 94 | 101% |
| 59 | 134% | 95 & up | 100% |
| 60 | 130% | | |

Change in Basic Amount. You may request a change in the Basic Amount once each policy

year. The minimum amount of change is \$25,000 for an increase and \$10,000 for a decrease. For any change in Basic Amount, we will send you a revised page 3 to be placed with this policy.

If you request an increase, an application must be completed, evidence of insurability satisfactory to us must be furnished, and there must be enough cash surrender value to make a monthly deduction which includes the cost of insurance for the increase. No increases will be allowed after the policy anniversary when the Insured is age 80. The revised page 3 will show the amount of the increase and its effective date.

If you request a decrease, the Basic Amount remaining after the decrease cannot be less than the Basic Amount Minimum. We reserve the right to not accept a request for a decrease in the Basic Amount if such decrease could result in this policy being disqualified as a life insurance contract under any section of the United States Internal Revenue Code, as amended from time to time. Any decrease will first be used to reduce the most recent increase. Then, the next most recent increases will be reduced. Finally, the Initial Basic Amount will be reduced. The revised page 3 will show the amount of decrease and its effective date. The decrease will take effect on the date we receive the request.

Change of Death Benefit Option. You may request a change of death benefit option once each policy year. For a change in death benefit option, we will send you a revised page 3 to be placed with this policy. The revised page will show the effective date of the change.

If the change is to option 1, the Basic Amount will be increased by the account value on the effective date of the increase. We reserve the right to not accept a request for a change to option 1 if such change could result in this policy being disqualified as a life insurance contract under any section of the United States Internal Revenue Code, as amended from time to time.

If the change is to option 2, the Basic Amount will be decreased by the account value on the effective date of the decrease.

PAYMENT OF BENEFITS PROVISIONS

Beneficiary Designation. This is as shown in the application, unless you have made a change. It includes the name of the beneficiary and the order and method of payment. If you name "estate" as a beneficiary, it means the executors or administrators of the last survivor of you and all beneficiaries. If you name "children" of a person as a beneficiary, only children born to or legally adopted by that person will be included.

We may rely on an affidavit as to the ages, names, and other facts about all beneficiaries. We will incur no liability if we act on such affidavit.

Change of Beneficiary Designation. You may make a change while the Insured is alive by sending us a request. The change will take effect the date the request is signed, but the change will not affect any action we have taken before we receive the request. We have the right to request your policy to make the change on it.

Order of Payment on the Insured's Death. When the Insured dies, we will make payment in equal shares to the primary beneficiaries living when payment is made. If a primary dies after the first payment is made, we will pay that primary's unpaid share in equal shares to the other primaries living when payment is made. If the last primary dies, we will make payment in equal shares to the successor beneficiaries living when payment is made. If a successor dies while receiving payments, we will pay that successor's unpaid share in equal shares to the other successors living when payment is made. If, at any time, no primary or successor is alive, we will make a one sum payment in equal shares to the final beneficiaries. If, at any time, no beneficiary is living, we will make a one sum payment to you, if living when payment is made. Otherwise, we will make a one sum payment to the estate of the last survivor of you and all beneficiaries. "When payment is made" means (1) the date that a periodic payment is due or (2) the date that a request is signed for a cash withdrawal or a one sum payment. You may change this order of payment by sending us a request while the In-

sured is alive.

Methods of Payment. We will pay the proceeds under the Interest method unless you choose another method. If the payee is other than a natural person, we will make payment under the One Sum method.

All payment intervals are measured from the date the policy is surrendered or from the date the Insured dies. No part of any payment can be assigned before the payment is made.

After the Insured's death, anyone who has the right to make a withdrawal may change the method of payment and may name a successor to their interest. The successor payee may be their estate.

Method 1 (Interest Method). We will pay interest at the end of each monthly interval. The interest rate will be at least 3½% a year. If chosen, we will pay interest at the end of 3, 6, or 12 month intervals. Withdrawals may be made at any time, but any withdrawal must be at least \$500. We will pay interest to the date of withdrawal on the amount withdrawn.

Method 2 (Fixed Years Method). We will make equal payments at the end of each monthly interval for a fixed number of years. These payments include interest. The guaranteed interest rate is 3½% a year. The present value of any unpaid payments may be withdrawn at any time.

FIXED YEARS TABLE

Monthly payments that \$1000 will provide for the number of years chosen. Payments for years not shown will be given, if requested.

| Years | Payments | Years | Payments |
|-------|----------|-------|----------|
| 1 | \$84.90 | 8 | \$11.93 |
| 2 | 43.18 | 9 | 10.78 |
| 3 | 29.28 | 10 | 9.86 |
| 4 | 22.33 | 15 | 7.12 |
| 5 | 18.17 | 20 | 5.77 |
| 6 | 15.39 | 25 | 4.98 |
| 7 | 13.41 | 30 | 4.46 |

PAYMENT OF BENEFITS PROVISIONS (CONTINUED)

Method 3 (Life Income Method). We will make equal payments at the end of each monthly interval as long as the payee is alive. We base the amount of each payment on the payee's age and sex at the start of the first monthly interval. We may require proof of the payee's age and sex. The payee may not withdraw the present value of the payments. If the payee dies during a certain period, we will continue the payments to the end of the certain period; or the successor payee may have the present value of any remaining payments paid in one sum.

LIFE INCOME TABLE

Monthly payments for life that \$1000 will provide. Payments for ages not shown will be given, if requested.

| Age Last Birthday | Life | | Life with 10 Years Certain | |
|----------------------|--------|--------|-------------------------------|--------|
| | Male | Female | Male | Female |
| 50 | \$4.50 | \$4.15 | \$4.46 | \$4.13 |
| 55 | 4.91 | 4.48 | 4.84 | 4.45 |
| 60 | 5.47 | 4.92 | 5.34 | 4.86 |
| 65 | 6.25 | 5.53 | 5.98 | 5.41 |
| 70 | 7.34 | 6.38 | 6.76 | 6.12 |
| 75 | 8.85 | 7.64 | 7.62 | 7.01 |

Method 4(Fixed Amount Method). We will make equal payments at the end of 1, 3, 6, or 12 month intervals. We will continue payments until the amount put under this method together with compound interest has been paid. The interest rate will be at least 3½% a year. The payment interval chosen must provide a total annual payment of at least \$100 for each \$1000 put under this method. The unpaid balance may be withdrawn at any time.

Method 5 (Joint Life Income Method). We will make equal payments at the end of each monthly interval as long as at least one of the two payees is alive. We will base each payment on the age and sex of both payees at the start of the first monthly interval. We may require proof of the age and sex of each payee. The payees may not

withdraw the present value of any payments.

JOINT LIFE INCOME TABLE

Monthly payments that \$1000 will provide as long as at least one of the two payees is alive. Payments for age combinations not shown will be given, if requested.

| Age Last Birthday Male | Female | | | |
|------------------------------|--------|--------|--------|--------|
| | 60 | 65 | 70 | 75 |
| 60 | \$4.45 | \$4.69 | \$4.91 | \$5.10 |
| 65 | 4.60 | 4.92 | 5.24 | 5.55 |
| 70 | 4.71 | 5.11 | 5.56 | 6.02 |
| 75 | 4.79 | 5.26 | 5.83 | 6.47 |

Method 6 (One Sum Method). We will pay the cash surrender value or the proceeds in one sum. Interest at a rate not less than the rate required by law will be paid from the date of the Insured's date of death to the date of payment.

Method 7 (Other Method). Payment by any other method may be made if we agree.

Minimum Payment. If any payment, except the last, under a method of payment would be less than \$100 per payee, we will pay the present value of any unpaid payments in one sum.

Basis of Computation for Payments. The monthly payments shown for methods 3 and 5 are guaranteed payments based on an interest rate of 3½% a year and the 1983 Table a, projected 10 years using Projection Scale G.

Any present values will be based on the interest rate used in determining the payments for the method.

Additional Amounts Payable. Each year we may apportion and pay dividends or additional interest under any method of payment.

PREMIUM PROVISIONS

Payment of Premiums. You may pay premiums at our Home Office, a regional office, or to one of our agents. We will give you a receipt signed by one of our officers, if you request one.

The initial premium is shown on page 3 and is due on the policy date. All other premiums may be paid in any amount and at any time if:

- (1) the amount is at least \$25 and
- (2) in a policy year, the total premiums, excluding the initial premium, do not exceed without our consent, the total Planned Premiums for a policy year.

Premium Limitations. We reserve the right to refund any premium paid if such premium amount would result in this policy being disqualified as a life insurance contract under any section of the United States Internal Revenue Code, as amended from time to time. No expense charge will be deducted from the refunded premium.

Grace Period. If, on any deduction date, the

cash surrender value is not enough to cover the monthly deduction, the policy will stay in force until the end of the grace period. The grace period is 61 days and starts on that deduction date. We will mail a notice at least 31 days prior to the end of the grace period to you and to any assignee of record. A premium large enough to cover the monthly deductions for the grace period and any increase in the surrender charges must be paid before the end of the grace period; otherwise, this policy will lapse and terminate without value.

Reinstatement. If the policy is terminated at the end of the grace period, you may apply to reinstate it within 5 years after lapse. You must give us proof of the Insured's insurability that is satisfactory to us. You must pay premiums (1) to keep the policy in force for 2 months and (2) to pay the monthly deductions for the grace period. Reinstatement will take effect on the date we approve the application for reinstatement.

GUARANTEED VALUES PROVISIONS

Account Value. The account value on the policy date is 95% of the initial premium less the monthly deduction for the first policy month.

The account value on any deduction date after the policy date is the account value on the prior deduction date:

- (1) plus 95% of any premiums received since the prior deduction date,
- (2) less the deduction for the cost of insurance for any increase in Basic Amount and the monthly charges for any riders that became effective since the prior deduction date,
- (3) less any withdrawals since the prior deduction date,
- (4) less the current monthly deduction,
- (5) plus any dividend paid and added to the account value on the current deduction date, and
- (6) plus any interest accrued since the prior deduction date.

The account value on any other date is the account value on the prior deduction date:

- (1) plus 95% of any premiums received since the prior deduction date,
- (2) less the deduction for the cost of insurance for any increase in Basic Amount and the monthly charges for any riders that became effective since the prior deduction date,
- (3) less any withdrawals since the prior deduction date, and
- (4) plus any interest accrued since the prior deduction date.

Monthly Deduction. This deduction is made each month, whether or not premiums are paid, as long as the cash surrender value is enough to cover that monthly deduction. Each deduction includes:

- (1) the cost of insurance,
- (2) the monthly charges for any riders, and
- (3) the monthly expense charge.

GUARANTEED VALUES PROVISIONS (CONTINUED)

Cost of Insurance. This cost is calculated each month. The cost is determined separately for the Initial Basic Amount and each increase in Basic Amount.

The cost of insurance is the monthly cost of insurance rate times the difference between (1) and (2), where:

- (1) is the amount of insurance on the deduction date at the start of the month divided by 1.0032737, and
- (2) is the account value on the deduction date at the start of the month before the cost of insurance and the monthly charge for any waiver of monthly deduction benefit rider are deducted.

Until the account value exceeds the Initial Basic Amount, the account value is part of the Initial Basic Amount. Once the account value exceeds that amount, if there have been any increases in Basic Amount, the excess will be part of the increases in order in which the increases occurred.

Monthly Cost of Insurance Rates. These rates for each policy year are based on the Insured's age on the policy anniversary, sex, and applicable rate class. A rate class will be determined for the Initial Basic Amount and for each increase. The rates shown on page 4 are the maximum monthly cost of insurance rates for the Initial Basic Amount. Maximum monthly cost of insurance rates will be provided for each increase in the Basic Amount. We can charge rates lower than those shown. Such rates can be adjusted for projected changes in mortality but cannot exceed the maximum monthly cost of insurance rates. Such adjustments cannot be made more than once a calendar year.

Interest. An interest rate of at least 4% a year will be applied to the account value. The rate applied to the amount of account value up to the amount of any loan may differ from the rate applied to the account value in excess of the amount of any loan. We will determine these rates at least once a year.

Cash Surrender Value. You may request sur-

render of this policy at any time. This policy will terminate on the date we receive the request or later date if you so request it. We will pay you the cash surrender value as of the date coverage ceases plus the monthly deduction for the part of the policy month beyond that date. We will pay you in one sum unless you choose another method of payment. The cash surrender value of this policy is its account value less any surrender charge and any loan and accrued loan interest. The cash surrender value will not be less than zero. If this policy is surrendered within 31 days after a policy anniversary, the cash surrender value will not decrease within that period except for any loans or withdrawals. We may defer paying you the cash surrender value for up to 6 months after receiving your request.

Surrender Charge. The schedule of surrender charges is shown on page 4. For each increase in Basic Amount, additional surrender charges will apply. The revised page 4 will show a revised schedule of surrender charges which includes those additional charges.

Upon reinstatement, the surrender charges will be adjusted for any surrender charge deducted at the time of lapse. The revised page 4 will show a schedule of the adjusted surrender charges.

Withdrawals. You may request to withdraw part of the account value while this policy is in force. No more than 4 withdrawals can be made in any policy year. Any withdrawal must be at least \$500 and must be less than the cash surrender value. We may defer paying you a withdrawal for up to 6 months unless the withdrawal is to pay premiums on other policies with us.

If death benefit option 1 is in effect, then the Basic Amount will be reduced by the withdrawal, effective with the date of the withdrawal. The reduction will be made as if a decrease in the Basic Amount had been requested.

GUARANTEED VALUES PROVISIONS (CONTINUED)

Basis of Computation. The guaranteed values in this policy are at least as large as those required by law in the state where it is delivered. The insurance authority there has a statement of how these values are determined.

The guaranteed values and maximum cost of insurance rates are based on the Insured's age last birthday and sex. The interest rate is 4% a year. The Commissioners 1980 Standard Ordinary Mortality Table is used. Modifications are made for rate classes other than standard.

POLICY LOAN PROVISIONS

Loan. You may borrow against this policy. This policy is the sole security for such loan. We may defer a loan for up to 6 months after receiving your request unless the loan will be used to pay premiums on other policies with us.

You may borrow the loan value less any existing loan and accrued interest and monthly deductions for the next 2 months. If your unpaid loan plus accrued interest exceeds the loan value on the monthly deduction date, the Grace Period provision will apply.

Loan Value. The loan value is the account value of this policy less the surrender charge.

Loan Interest. Interest accrues and is payable each day at a rate of 8% a year. Any interest not paid is added to the loan on each policy anniversary.

Loan Repayment. You may repay all or part of a loan at any time before the Insured dies or the policy is surrendered or terminated.

GENERAL PROVISIONS

The Contract. The policy contains the Basic Plan, any amendments, endorsements, and riders, and a copy of the application. A copy of any application for a change to this policy will be sent to you to be placed with the policy. Such applications become part of this policy. The policy is the entire contract. We have relied on the statements in the application in issuing this policy. We reserve the right to investigate the truth and completeness of those statements. In the absence of fraud, they are representations and not warranties. Only statements in the application will be used to rescind this policy or deny a claim.

Only an officer has the right to change this policy. No agent has the authority to change the policy or to waive any of its terms. All endorsements,

amendments, and riders must be signed by an officer to be valid.

Annual Report. Each year, we will send you a report. This report will show:

- (1) the account value, the cash surrender value, any loan and accrued loan interest, and the amount of the death benefit as of the date of the report and
- (2) any premiums paid, any deductions made, and any withdrawals made since the last report.

Projection of Benefits and Values. You may request a projection of death benefits, account values, and cash surrender values. We may charge a reasonable fee for providing this projection.

GENERAL PROVISIONS (CONTINUED)

Annual Dividends. We do not expect to pay dividends on this policy; however, we may apportion and pay dividends each year. Any such dividends will be paid only at the end of the policy year. There is no right to a partial or pro rated dividend prior to the end of the policy year.

Dividend Options. You may choose to have your dividend used under one of these options:

1. **Cash.** We will pay it to you in cash.
2. **Addition to Account Value.** We will add it to the account value at the end of the policy year.

If you do not choose an option or the option you choose is not available, we will use option 2. You may request to change the option. The change will apply only to dividends paid after we receive the request.

Assignment. You may assign this policy or any interest in it. We will recognize an assignment only if it is in writing and filed with us. We are not responsible for the validity or effect of any assignment. An assignment may limit the interest of any beneficiary.

Error in Age or Sex. If the Insured's date of birth or sex is not as stated in the application, we will adjust each benefit on the Insured to the benefit payable had the Insured's age and sex been stated correctly. Such adjustment will be based on the ratio of the correct monthly deduction for the most recent deduction date for that benefit to the monthly deduction that was made. For the Basic Plan, the adjustment is made to the amount of insurance less the account value.

Incontestability. We will not contest the Basic Plan after it has been in force during the Insured's lifetime for 2 years from the issue date of the policy. We will not contest any increase in Basic Amount or reinstatement after it has been in force during the lifetime of the Insured for 2 years from the effective date of the increase in Basic Amount or reinstatement. We will not contest an increase due to a change to Death Benefit Option 1. Any contest of any increase in Basic Amount or reinstatement will be limited to material statements contained in the application for such increase or reinstatement.

Each rider has its own incontestability provision.

Limited Death Benefit. If the Insured dies by suicide while sane or by self-destruction while insane within 2 years from the issue date of the policy, the Basic Amount will not be paid. The proceeds in this case will be limited to the premiums paid on the Basic Plan less any loan, accrued loan interest, any withdrawals from the account value, and any dividends paid on the Basic Plan.

Any increase in Basic Amount will not be paid if the Insured's death results from suicide while sane or self-destruction while insane within 2 years from the effective date of such increase. The proceeds of the increase will be limited to the monthly deductions for the increase. This does not apply to an increase due to a change to Death Benefit Option 1.

Each rider has its own limited death benefit provision.

JAN. 16. 2001 6:34PM

NO. 048 P.2



STATE FARM INSURANCE COMPANIES

HOME OFFICES: BLOOMINGTON, ILLINOIS 61710-0001

1853-4088

 STATE FARM LIFE INSURANCE COMPANY

 STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY - HEALTH INSURANCE DEPARTMENT

27 v

MEDICAL EXAMINER'S REPORT-ADULT (PARAMEDICAL)

MEDICAL HISTORY portion of LIFE and/or HEALTH INSURANCE APPLICATION File No.(s)

1. a. Name of Proposed Insured William T. Whitman Birthdate [REDACTED]

2. a. Name and Address of Personal Physician or Clinic (If none, so state.) Dr. Marcel McNaughton 3733 S. Thompson Ave. Tacoma, WA 98407

b. Date and Reason Last Seen and Treatment Given? (List medications prescribed, indicating those still being administered.) Sept. 799 - Routine check-up. WNL.

3. Have you, in the last 10 years, had or been treated for: Yes No

- a. Disorder of eyes, ears, nose, or throat?
- b. Dizziness, fainting, epilepsy, convulsions; frequent or severe headaches; paralysis or stroke; or mental or nervous disorder?
- c. Shortness of breath, allergy, asthma, emphysema, pneumonia or other respiratory disorder?
- d. Chest pain, high blood pressure, heart murmur, heart attack, or other disorder of the heart?
- e. Ulcer, hernia, chronic diarrhea, or colitis; or disorder of the stomach, intestines, liver, or gallbladder?
- f. Varicose veins, hemorrhoids, or rectal disorder?
- g. Sugar, albumin, blood or pus in the urine; stones or other disorder of the kidneys, or bladder?
- h. Diabetes; thyroid or other endocrine disorders?
- i. Sexually transmitted disease; disorder of breasts or breast implants, prostate or reproductive organs?
- j. Arthritis; injury or disorder of the spine, neck or back, arm, leg, shoulder, wrist, hand, hip, knee, ankle, or foot?
- k. Deformity or amputation?
- l. Disorder of skin or lymph glands, cyst, tumor, or cancer?
- m. Leukemia, anemia, immune deficiency or any other blood disorder?
- n. Recurrent fever, fatigue or night sweats?

4. Are you now receiving any treatment or taking prescribed medication?

5. To the best of your knowledge and belief, are you now pregnant or ever had complications of pregnancy including cesarean section?

6. Have you in the last 5 years:

- a. Used cocaine, marijuana, hallucinogenic drugs, or narcotics not prescribed by a physician?
- b. Been treated or counseled, or been advised to seek treatment or counsel, for alcohol or drug use?

7. Have you had any unexplained change in weight in the last 12 months?

8. Other than above, have you, in the last 5 years:

- a. Had any mental or physical disorder not listed above?
- b. Had or been advised to have treatment or a test in any medical facility such as a lab, clinic, emergency room, or hospital?
- c. Had or been told an electrocardiogram or x-ray was necessary?
- d. Had surgery or been told surgery was necessary?

9. Have you, in the last 3 years, claimed or received any benefits because of injury, sickness, or disability?

10. Have you used tobacco in any form in the last 12 months? (If yes, explain)

11. Has your father, mother, or any brother or sister ever had diabetes, cancer, kidney disease or mental illness? Have any had high blood pressure, stroke, or heart disease before age 60?

DETAILS of "Yes" answers. (IDENTIFY QUESTION NUMBER, CIRCLE APPLICABLE ITEMS. Include diagnoses, dates, duration, and names and addresses of all attending physicians and medical facilities.)

I state that all information in this medical history is true and complete to the best of my knowledge and belief. This medical history will be part of my application.

Witness X

Signature of Examiner or Paramedical Laboratory Technician

Dated On JANUARY 16THYEAR 2001

DAY

MONTH

YEAR

X William Whitman

SIGNATURE OF PROPOSED INSURED

BASIC PLAN DESCRIPTION

Flexible premium adjustable life insurance. A death benefit is payable when the Insured dies. Flexible premiums are payable while the Insured is alive. The basic plan is eligible for annual dividends.



STATE FARM LIFE INSURANCE COMPANY
BLOOMINGTON, ILLINOIS
APPLICATION FOR LIFE INSURANCE

POLICY COPY

PROPOSED INSURED #1: MR WHITMAN, WILLIAM T

In City? YES

Mailing Address: [REDACTED]

SINGLE MALE Age: 20 Birthdate: [REDACTED] State: WA Height: 5'9" Weight: 240 lbs.
 U.S. or Canadian Citizen: YES Drivers license no.: [REDACTED] State: WA SS#: [REDACTED]
 Have you used tobacco in any form in the last 12 months? NO
 Occupation: COMPUTER TECHNOLOGY Employer: SHURPA CORP
 Do job duties fall into one of the following hazardous categories? NO
 (amusement/sports;construction/explosive/divers;liquor;logging/mining/gas/oil)

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|----------------|------------|--------------------------------------|
| BASIC PLAN | AMOUNT | |
| UNIVERSAL LIFE | \$ 500,000 | Death Benefit Option 1: Basic amount |

Planned premium: \$ 175.00 Additional first year premium: \$
 Dividend option:

XX

| | | | |
|---|--------------|------------|---------|
| PROPOSED INSURED #1 - BENEFICIARY DESIGNATION | RELATIONSHIP | AGE | OPTION |
| PRIMARY: [REDACTED] | [REDACTED] | [REDACTED] | ONE SUM |
| SUCCESSOR: [REDACTED] | [REDACTED] | [REDACTED] | ONE SUM |

FINAL:
 If a beneficiary survives the Insured, any payment to successor will be one sum unless changed.

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| | |
|---|----|
| Do you have personal and business life insurance of more than \$200,000? | NO |
| Will this policy replace or change insurance or annuities you now have? | NO |
| Are you now applying for life or health insurance with any other company? | NO |
| Do you plan to leave or travel from the United States or Canada in the next 6 months? | NO |

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| | | | | | |
|--|----|---------------|----|-------------|----|
| Have you, in the last 10 years, had or been treated for: | | | | | |
| High blood pressure? | NO | Heart murmur? | NO | Chest pain? | NO |
| Lymph gland disorder? | NO | Heart attack? | NO | Stroke? | NO |
| Tumor or cancer? | NO | | | | |

Have you, in the last 10 years, been diagnosed as having or been treated for Acquired Immune Deficiency Syndrome (AIDS) by a member of the medical profession? NO

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POLICY COPY

Have you, in the last 3 years or plan to in the next 6 months:

| | |
|---|----|
| Flown (pilot/crew member/student pilot) aircraft (airplane/helicopter/glider/ultralight)? | NO |
| Engaged in mountain/rock climbing? | NO |
| Engaged in auto/motorcycle/powerboat racing? | NO |
| Engaged in SCUBA diving? | NO |
| Engaged in sky diving, hang gliding, ballooning? | NO |
| Engaged in other such avocations? | NO |

Have you, in the last 3 years, had your driver's license suspended/revoked, had any moving violations, had 2 or more accidents, or been charged with driving under the influence of alcohol or drugs?

NO



POLICY COPY

Coverage will be effective as of the policy date, if the following conditions are met: the first premium is paid when the policy is delivered; the Proposed Insureds are living on the delivery date; and, on that delivery date, the information given to State Farm Life is true and complete without material changes.

However, if a binding receipt has been given and is in effect, its terms will apply.

All Proposed Insureds and the Applicant state that the information in this application and any medical history is true and complete. It is agreed that State Farm Life can investigate the truth and completeness of such information while the policy is contestable.

By accepting the policy, the Owner agrees to the beneficiaries named, method of payment and corrections made. No change in plan, amount, benefits, or age at issue may be made on the application unless the Owner agrees in writing. Only an authorized company officer may change the policy provisions. Neither the agent nor a medical examiner may pass on insurability.

Social Security or Tax Identification Number (TIN) Certification. By signing this application, I certify under penalties of perjury that (1) the TIN shown on page 1 of this application is correct, and (2) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding. (If you are subject to backup withholding, cross out item 2.) The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Any policy issued on this application will be owned by Proposed Insured 1, or the Applicant, if other than Proposed Insured 1.

Dated on 11/14/91

Signature of Proposed Insured 1 William Whitman

at TACOMA, WA

Signature of:

Agent as witness Chris Hines